



FOR IMMEDIATE RELEASE

June 15, 2006

FACT SHEET

SANDERS HEADS TO SACRAMENTO NEXT WEEK TO LOBBY ON BEHALF OF ISSUES IMPORTANT TO SAN DIEGO

MAYOR TO MEET WITH STATE “BIG 5” TO BUILD RELATIONSHIPS & DISCUSS BOOKING FEES, PROP 42, PUBLIC LIBRARY FUND, AND ENTERPRISE ZONES

Mayor Jerry Sanders will be heading to Sacramento next Wednesday, June 21 to lobby on behalf of issues important to the City of San Diego. Building relationships and raising San Diego's visibility at the highest levels of government is one of the Sander's top priorities. For far too long, San Diego's top elected official has been absent from both the national and state's capitol corridors. The Mayor will be visiting the capitol to meet with the state's "Big 5" – the Governor and Senate and Assembly Majority and Minority leaders – as well as several other legislators to discuss a variety of issues including those which have impact on San Diego's budget.

ISSUES MAYOR INTENDS TO DISCUSS IN SACRAMENTO

2006 – 2007 STATE BUDGET:

Booking Fees

To ensure that the City has adequate beds available for booking suspected criminals, the City of San Diego is contractually obligated to pay the County of San Diego \$5.22 million annually for booking fees. With the elimination of the state booking fee reimbursement program in 2005 – 2006, it was necessary to reduce the City's Police budget by \$5.22 million.

For FY 2006-2007, Governor Schwarzenegger has proposed a \$40 million allocation to provide for booking fee relief. In his May Revision, the Governor again restated the \$40 million allocation along with compromise language between the California State Sheriffs Association and the California Police Chiefs Association which will end the contentiousness between the two public safety groups.

Reestablishment of the reimbursement program will assure additional funding for police officers *and* adequate funding for jail services. Funding of the booking fee program will allow the City to fulfill its obligations to the County of San Diego and ensure resources are available to meet critical staffing, capital, and operational commitments. The City of San Diego strongly supports the Governor's proposed \$40 million allocation for booking fee reimbursements.

Proposition 42 Loan Repayment

The Governor's budget and the May Revision proposed early repayment of \$920 million in Proposition 42 transportation funds that had been borrowed in FY 2004-05. This includes \$245 million for local streets and roads, of which half (\$122.57 million) will be allocated to California's cities.

Local streets and roads are a priority to Mayor Sanders. The Mayor's Fiscal Year 2007 budget includes a substantial increase in the amount of City revenues invested in maintaining City streets. The \$5 million anticipated from Prop. 42 funds is an important subset of the \$12.9 millions set aside for the maintenance and repair of City streets.

In addition, if there is early repayment of the Proposition 42 loan, the City will be able to dedicate \$1 million to the filling of potholes during FY07. This amount equates to approximately 35,000 potholes being filled. Moreover, the Proposition 42 repayment funds will allow the City's General Services Department to carry out its plan to reduce their response time from 2 weeks to 1 week.

Public Library Fund

The Governor has proposed, and both the Senate and Assembly Budget Committees have approved, a \$7 million augmentation to the Public Library Fund (PLF). If approved, the total funding for this program will be \$21 million. The \$7 million augmentation equates to approximately \$250,000 for the City of San Diego.

The City of San Diego's Library system is reliant upon the PLF to help fund 21 staff positions. Moreover, the PLF is used to pay for all non-personnel expenses for the fund raising office. This is a critical way of leveraging the state's investment and private donations are a vital component to the City's ability to successfully carry out several capital improvement projects, including the construction of a new main library as well as completing the branch system.

ENTERPRISE ZONES:

The State of California has designated 42 locations as enterprise zones. They were created to stimulate business investments in areas that are economically disadvantaged as well as spur job growth in areas of high unemployment. The program helps generate new private investment and attract new employers to low/moderate income neighborhoods creating new job opportunities for area residents. Two enterprise zones are located in the City of San Diego: The Metro Enterprise Zone and the South Bay Enterprise Zone.

Enterprise Zones are designated for 15 years, after which time zones meeting certain criteria may be extended an additional five years. The Metro Enterprise Zone is set to expire in October 2006. The South Bay Enterprise Zone is set to expire in January 2007. The City has previously exercised the opportunity to extend the zone.

The City of San Diego supports legislative efforts which would provide an additional five years to the life of these two zones. This extension will provide employers with the assurance that the benefits that allowed them to remain, expand or locate in San Diego will continue. It will enable the San Diego Enterprise Zone and others throughout the state to continue their work to create jobs, encourage investment in disadvantaged areas, and build local and state economies.

Tentative Sacramento Schedule/Meetings with:

- Governor Arnold Schwarzenegger
- Senate President Pro Tempore Don Perata
- Senate Minority Leader Dick Ackerman
- Assembly Speaker Fabian Nuñez
- Assembly Minority Leader George Plescia
- Senator Denise Ducheny
- Senator Christine Kehoe
- Senator Dennis Hollingsworth
- Assemblyman Mark Wyland
- Assemblyman Juan Vargas
- Assemblymember Lori Saldaña